

BOARD OF DIRECTORS

Lisa A. Bartlett Chairwoman

Tim Shaw Vice Chairman

Laurie Davies Director

Barbara Delgleize Director

Andrew Do

Lori Donchak Director

Michael Hennessey Director

> Steve Jones Director

Mark A. Murphy Director

Richard Murphy Director

> Al Murray Director

Shawn Nelson Director

Miguel Pulido Director

> Todd Spitzer Director

Michelle Steel Director

> Tom Tait Director

Gregory T. Winterbottom Director

> (Vacant) Ex-Officio Member

CHIEF EXECUTIVE OFFICE

Darrell E. Johnson Chief Executive Officer November 26, 2018

Ms. Mary Nichols Chair California Air Resources Board 1001 "I" Street Sacramento, CA 95814

Subject: Proposed Amendments to the Innovative Clean Transit Regulation

Dear Chair Nichols:

The Orange County Transportation Authority (OCTA) welcomes the opportunity to offer comments on the most recent amendments proposed to the California Air Resources Board's (ARB) Innovative Clean Transit (ICT) Regulation. These amendments, dated November 9, 2018, improve upon previous versions of the proposed ICT regulation. While progress has been made, OCTA continues to have concerns about the proposal's lack of clear benchmarks in the regulation to ensure that the technology and costs match the regulation's assumptions, and the absence of a viable funding source that would help agencies meet the purchase requirement.

Since the ARB Meeting on September 28, 2018, various technical changes were made to the regulation in response to concerns expressed by transit agencies. OCTA specifically supports the strengthening of the early compliance waiver, the additional temporary exemptions, and clarification of the definition of a zero-emission bus purchase. OCTA is hopeful for more improvements like these to allow for a sensible implementation of zero-emission bus technology.

Unfortunately, the recent amendments do not address OCTA's primary concerns with the proposed ICT regulation. The proposed regulatory language still does not identify adequate funding for agencies to meet the purchase mandate, which could be partially addressed if the regulation explicitly authorized ARB incentive programs to be available through the life of the regulation. The regulatory language also does not include explicit benchmarks to ensure that the buses transit agencies will be mandated to purchase will meet the operational needs of the agency and will not require a shifting of financial resources that could adversely impact transit riders. For your reference, OCTA has voiced these concerns in previous letters to the ARB, dated January 22, 2018; May 14, 2018; and September 24, 2018, as well as in public comments at the September ARB Board Meeting. OCTA encourages amendments be developed to address these concerns before the regulation is put forward for adoption.

Ms. Mary Nichols November 26, 2018 Page 2

While the recent amendments are constructive, additional improvements are necessary to allow for the expansion of zero-emission technology in an economically sustainable manner. If you or your staff have any questions regarding OCTA's concerns with the proposed ICT regulation, please contact Kristin Essner, Manager of State and Federal Relations, at (714) 560-5754 or kessner@octa.net.

Sincerely,

Darrell E. Johnson Chief Executive Officer

DJ:ds Attachment

c: Members, California Air Resources Board Richard Corey, Executive Officer, California Air Resources Board Steve Cliff, Deputy Executive Officer, California Air Resources Board Jack Kitowski, Chief, Mobile Source Control Division, California Air Resources Board

Shirin Barfjani, Air Pollution Specialist, Mobile Source Control Division, California Air Resources Board

Yachun Chow, Manager, Zero Emission Bus Truck and Bus Section, California Air Resources Board

Platinum Advisors, LLC